

**PROCEEDINGS OF THE COMMON COUNCIL OF THE  
CITY OF RICHMOND, INDIANA, SERVING AS A BOARD  
IN CHARGE OF THE OPERATION OF THE RICHMOND POWER & LIGHT PLANT  
TUESDAY, FEBRUARY 19, 2008**

The Common Council of the City of Richmond, Indiana, serving as a Board in charge of the operations of the Richmond Power & Light Plant met in regular session at 7 p.m. Tuesday, February 19, 2008 in the Council Chambers in the Municipal Building in said City. Chairperson Welch presided.

**ROLL CALL:** Present were: Howard "Jack" Elstro, Kelley Cruse-Nicholson, Bruce Wissel, Clayton Miller, Bing Welch, Larry Parker, Diana Pappin, Bob Goodwin and Phil Quinn.

**APPROVAL OF MINUTES:** Board member Wissel moved to approve the minutes of the meeting held February 4, 2008. Board member Miller seconded. Upon a vote *viva voce*, the motion passed.

**APPROVAL OF BILLS, INVESTMENTS AND TRANSFERS:**

Upon recommendation of the Finance Committee, Board member Pappin moved to approve the following bills for payment with a second by Board member Quinn. Upon a vote *viva voce*, the motion passed.

Bills Already Paid:	
Payroll and Deductions	310,412.27
Investments Purchased From:	
Utility Bond Reserve Fund	360,692.48
Depreciation Reserve Fund	<u>5,234,080.63</u>
Total	5,594,773.11
Transfers from Cash Operating to:	
Miscellaneous Prepaid Invoices	147,027.80
Telecom. Div. Misc. Pre Paid Invoices:	<u>25,268.11</u>
Total Prepaid Invoices:	6,077,481.29
Total EFT/Direct Deposit of Payroll:	<u>(116,362.00)</u>
Total Prepaid Invoices:	5,961,119.29
Total EFT Transfers:	<u>503,674.96</u>
Total Prepays plus EFT Transfers:	6,464,794.25
Total Bills Not Paid:	<u>853,246.64</u>
<b>Grand Total:</b>	<b><u>\$7,318,040.89</u></b>

**STREET LIGHT COMMITTEE:** Board member Elstro reported that petitions for street lights on Southwest 1<sup>st</sup> Street and Rose City Business Park will be presented for hearing at the February 21, 2008 meeting of the Board of Public Works and Safety. After that meeting, the petitions will be reviewed by Richmond Power and Light again to investigate the possibility of reducing the number of lights required for each project.

**OLD BUSINESS:**

- **Hodgin Road Substation Expansion:** Seven bids for general construction were received. The base bids ranged from \$230,428 to \$550,600. General Manager Steve Saum recommended bidder Kent Power, Inc. for the amount of \$235,282. Board member Miller moved to approve the recommendation of Mr. Saum, with a second by Board member Quinn. Upon a vote *viva voce*, the motion passed.

Two bids for the supply of Relay/Control Panels. The bid amounts were \$15,941.57 and \$22,418.00. Mr. Saum recommended Carter & Crawley for the amount of \$15,941.57. Board member Parker moved to approve the recommendation, with a second by Board member Cruse-Nicholson. Upon a vote *viva voce*, the motion passed.

- **Johnson Street Substation:** Two bids were received in the amounts of \$1,209,275 and \$1,226,000. Mr. Saum recommended Delta-Star for the amount of \$1,215,636. Delta-Star offered the price of \$1,185,861 should Richmond Power & Light accept the risk of commodity or an alternate payment plan of a one percent (1%) reduction if RP&L accepted the following invoice schedule:

20% of purchase price at time of order  
30% of purchase price fifteen weeks prior to shipment  
30% of purchase price thirty-five days prior to shipment  
20% of purchase price upon shipment

This payment schedule would result in \$12,156.36 savings making the total cost of the project \$1,203,479.64. If this plan was accepted, an additional \$622,508.80 would have to be added to the 2008 Budget with that amount deducted from the 2009 budget.

Board member Parker asked this item to be held until the March 3 meeting to allow time for RP&L to calculate the potential loss of interest for monies being expended in advance of the budget year.

- **Fly Ash Disposal Discussion:** This discussion was continued from the February 4, 2008 meeting. Richmond Sanitary District Board members Richard Bodiker and Gil Klose, Superintendent Bob Tyler and Sanitary District Engineer, Bob Wiwi were in attendance. Mr. Tyler explained there were several reasons for the proposed increase in cost to dispose of RP&L fly ash from \$6.50/ton to \$19.50/ton, i.e., potential environmental/air space problems (possible IDEM fines), damage to equipment, increased man hours. Board member Welch questioned the validity of these claims; however, the Sanitary District did not change their decision.

#### **REPORT BY GENERAL MANAGER:**

- The Bag house design/construction procedure is going forward. The surveyor is setting stakes and soil samples have been taken. Board member Quinn asked Mr. Saum what percentage of work on the Bag house is local labor. Mr. Saum will research this and report back to the Board.
- Mr. Saum has been nominated to serve on the Board of Directors Executive Committee for the Indiana Municipal Power Authority, Board member Parker moved to encourage Mr. Saum to accept if elected. There was a second by Board member Pappin. Upon a vote *viva voce*, the motion passed.

#### **ADJOURNMENT:**

There being no further business and a motion duly made, the meeting was adjourned.

S/S Bing Welch  
Bing Welch, Chairperson

S/S Karen Chasteen  
ATTEST: Karen Chasteen, Clerk